# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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# FISCAL IMPACT STATEMENT

**LS 6732 NOTE PREPARED:** Dec 30, 2008

BILL NUMBER: SB 411 BILL AMENDED:

**SUBJECT:** Determination of Graduation Rate.

FIRST AUTHOR: Sen. Sipes BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL IMPACT: Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that a student whose individualized education program does not provide for the student to graduate from high school is not included in the calculation of a high school's graduation rate.

Effective Date: July 1, 2009.

## **Explanation of State Expenditures:**

### **Explanation of State Revenues:**

Explanation of Local Expenditures: The bill could potentially increase a school graduation rate by excluding special education students whose individualized education program does not provide for the student to graduate from the calculation. Currently special education students that do not meet the qualifications for a diploma receive a Special Education Certificate. There were 1,162 certificates issued for the 2008 school year. The number of certificates has varied between 800 and 1,162 over the last 7 years. The exclusion of the students would increase the graduation rate by about 1% statewide.

The bill could reduce school corporation expenditures if the change in the gradation rate calculation allowed the school to make adequate yearly progress under the Federal No Child Left Behind statute. The impact would probably be minor.

**Background:** The following information was reported by DOE.

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#### 2007 State Graduation Rate Breakdown

- 76.5 percent of students graduated within four years
- 11.9 percent of students are reported dropouts or undetermined (meaning they either moved out of state or dropped out without formally withdrawing from school)
- 7.3 percent of students are still in school
- 2.7 percent of students earned a General Education Development Diploma (GED)
- 1.0 percent of students earned a Special Education Certificate
- 0.6 percent of students earned a non-diploma Course Completion Certificate

# 2007 Public High School Graduation Rate Breakdown

- 90-100 percent graduation rate 55 schools (15.1 percent)
- 80-89.9 percent graduation rate 135 schools (37.2 percent)
- 70-79.9 percent graduation rate 109 schools (30.0 percent)
- 60-69.9 percent graduation rate 32 schools (8.8 percent)
- 50-59.9 percent graduation rate 13 schools (3.6 percent)
- Less than 50 percent graduation rate 19 schools (5.2 percent)

## **Explanation of Local Revenues:**

## **State Agencies Affected:**

**Local Agencies Affected:** Local Schools.

**Information Sources:** Department of Education database.

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